REMARKS

The Applicants respectfully request reconsideration in view of the following remarks and amendments. Claims 1, 3, 5, 6, 8, 10-12, 14, 16, and 18 are amended. Accordingly, claims 1, 3-16, 18, 19, 27, 30, and 31 are pending in the application.

I. <u>Election of Claims</u>

The Applicants note the Examiner's acknowledgement of the Applicants' election without traverse of claims 1-19, 27, 30, and 31 in the response filed on May 21, 2007.

II. Claims Rejected Under 35 U.S.C. § 103

Claims 1, 16, and 30 stand rejected under 35 U.S.C. § 103(a) as being obvious over Japanese Patent Publication No. 2001238189 filed by Shiragami Shinji (hereinafter "Shinji").

Claim 1, as amended, recites the elements of "the code decompression/decoding unit includes a code discard unit to selectively discard a portion of the code data before the code data are decoded under the control of the controller." The amendment incorporates the limitations recited in claim 2. In light of the amendment, claim 2 is canceled. Applicant respectfully submits that Shinji fails to teach or suggest these elements.

More specifically, Shinji discloses a technique for detecting the state of the battery power source, and the frame rate and the resolution can be reduced according to the detected state. In contrast, claim 1 recites the elements of "a code discard unit to selectively discard a portion of the code data before the code data are decoded under the control of the controller." Shinji's image processing unit fails to teach or suggest these elements. Moreover, claim 1 now includes substantially all the limitations previously recited in claim 2 that has been allowed by the Examiner (see page 3 of the Office Action). In light of the amendment of claim 1 and for at least the foregoing reasons, the Applicants submit that claim 1 is patentable over the art of record. Accordingly, reconsideration and withdrawal of the rejection of claim 1 are respectfully requested.

Claim 16, as amended, recites the elements of "the first mode setting unit is operable to select a Lagragian rate control mode when the current state of the power supply is above a

reference state and select a plain rate control mode when the current state of the power supply is at or below the reference state." The amendment incorporates substantially all the limitations recited in claim 17. Accordingly, claim 17 is canceled. The Examiner has granted allowance of claim 17 (see page 3 of the Office Action). In light of the amendment of claim 16, the Applicants submit that claim 16 is patentable over the art of record because claim 16 now recites the elements that were previously in claim 17. Accordingly, reconsideration and withdrawal of the rejection of claim 16 are respectfully requested.

With respect to claim 30, this claim depends on base claim 16 and incorporates the limitations thereof. Thus, for at least the reasons mentioned in connection with claim 16, Shinji fails to teach or suggest each element of claim 30. In addition, claim 30 is patentable over the art of record because of its dependency on allowable claim 16 as discussed above. Accordingly, reconsideration and withdrawal of the rejection of claim 30 are respectfully requested.

In response to the Examiner's request for an English translation of Japanese Patent Application No. 2002-345237 cited in the IDS filed on May 21, 2007, the Applicants submit herein an English translation of JP 2002-345237 following page 8 of this paper.

III. Allowable Subject Matter

The Applicants respectfully acknowledge with appreciation the Examiner's indication that claims 2-15, 17-19, 27, and 31 would be allowable if rewritten in independent form including all the limitations of the base claim and any intervening claims (see page 3 of the Office Action). As previously discussed, claims 1 and 16 are patentable over the art of record because claims 1 and 16 now recite the limitations previously recited in allowable claims 2 and 17. Thus, for at least the reasons that claims 3-15, 18, 19, 27, and 31 depend from an allowable base claim, the Applicants believe claims 3-15, 18, 19, 27, and 31 are patentable over the cited art without rewriting the claims in the manner proposed by the Examiner. Accordingly, the Applicants respectfully request consideration and allowance of claims 1, 3-16, 18, 19, 27, and 31 at the Examiner's earliest convenience.

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CONCLUSION

In view of the foregoing, it is believed that all claims now pending patentably define the subject invention over the prior art of record, and are in condition for allowance and such action is earnestly solicited at the earliest possible date. If the Examiner believes that a telephone conference would be useful in moving the application forward to allowance, the Examiner is encouraged to contact the undersigned at (408) 720 8300.

Respectfully submitted,

BLAKELY, SOKOLOFF, TAYLOR & ZAFMAN LLP

Dated: 11 21, 2007

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CERTIFICATE OF MAILING:

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Mail Stop Non-Fee Amendment, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450, an November 21, 2007.

Angela M. Quinn

November 21, 2007